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## ANGOLA

- I. Rebellion in northern Angola, now two months old, shows no signs of subsiding.
  - A. Terworists able to operate relatively freely through some 40,000 square miles of rainforest in northwest.
    - 1. Scattered attacks and arrests reported in south—but openness of terrain, distance from Congo, hostile tribal groups, more efficient Portuguese administration, and relative absence economic discontent—have so far prevented southward spread of all-out rebellion.
  - B. Portuguese military in Angola--about 10,000 men, including 2,000 whites--has been raised to 15-16,000, about 6,000 white. With coming of dry season Portuguese expect to break back of terrorism within a few months.

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- C. Terrorism appears to have been instigated by nationalist organization, Union of Angolan People, (UPA) with head-quarters in Leopoldville and led by Holden Roberto.
  - 1. Organization claims to be non-Communist and allegedly has turned down bloc offer of aid, but is under growing pressure from rival movement, Popular Movement for Angolan Liberation, with headquarters at Conakry, which is believed receptive to Communists. (MPLA reported planning 23-1 Approved For Release 2005/01/27 RCMA-RDP64B00346R000500080025-6

Approved For Release 2005/01/27 RCM-RDP64B00346R000500080025-6 move to Brazzaville.)

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2. UPA probably has only a few hundred firearms; most terror-ists using knives and arson as weapons.

3.							
						both Accra and (	Conakry
	276	likely	±0	take	growing	interest in struggle.	

- a. On 12 May, Portuguese announced capture of 70
  Ghanaians who it claimed had been with terrorists.
- II. In addition to obvious security and psychological problem,

  Angolan economy badly damaged by terrorism and bulk of vital

  coffee crop probably lost this year.
  - A. Furthermore, unemployment problem--especially among displaced whites--becoming acute in several cities and may stimulate settler opposition to Lisbon rule.
  - B. In view of loss important Angolan revenues and heavy military expenses, Lisbon may face economic collapse within two years unless order can be restored.
- III. Salazar's cabinet reshuffle of late April and early May, in which all new appointees represented extreme right, indicates intent to stand firm and pacify Angola before considering reform.
  - A. Within short period of time, Portugal likely face dissidence in Portuguese Guinea--abetted by Sekou Toure regime in Guinea--and perhaps also in Mozambique.

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